

MULTI-FAMILY HOUSING CONVERSION AGREEMENT

1. Borrower Name	2. Project Name		
3. Borrower Case Number	4. Project Number	5a. Fund Code	5b. Loan Number
6. Date of Conversion	7. Amount of Conversion		
8. Conversion Code 1 - Voluntary 2 - Involuntary	9. Amortized Installment		

For value received:

10. Borrower acknowledges liability for, reaffirms, and promises to pay to the United States of America acting through the United States Department of Agriculture (herein referred to as Government) at the office address set forth below, the total unpaid balance of the indebtedness incurred under the instruments of debt and related security instruments described as follows:

PROMISSORY NOTE, ASSUMPTION AGREEMENT OR OTHER INSTRUMENT OF DEBT

<u>Instrument</u>	<u>Date</u>	<u>Executed By</u>	<u>Principal Amount</u>
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MORTGAGE OR OTHER SECURITY INSTRUMENT

<u>Instrument</u>	<u>Date</u>	<u>Executed By</u>	<u>Secured Party</u>	<u>Recording Data</u>
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11. Borrower agrees to pay said indebtedness in accordance with the terms of said instrument and any supplementary agreements as amended below except that any indebtedness now past due under the terms of said instrument shall be due and payable on the date hereof. Otherwise, all provisions of said instrument shall continue in full force and effect.

12. The undersigned further agree(s) that this Conversion Agreement is executed with the understanding that by executing this agreement the undersigned will not be released or discharged from personal liability on the obligation(s) referred to in paragraph 1 hereof, except that any exculpatory clause in the original instrument described in paragraph 1 shall remain in effect.

13. Borrower agrees that the Government is the owner and holder of the above described promissory note or assumption agreement (new terms) in the principal sum of _____ dollars (\$ _____) plus interest on the principal of _____ percent (_____ %) per year which was made or assumed by _____ and _____ (called I/we), dated _____, _____, and payable to the order of the Government and the unpaid principal balance (including advances) is \$ _____. The unpaid interest due to date is \$ _____. Unpaid charges to the account paid by the Government on borrower's behalf are \$ _____ and shall be added to principal of the oldest loan being converted.

The interest of \$ _____ accrued to _____, _____, shall be added to the principal.

14. Because one or more of the conditions set forth in Government regulations have been met for obtaining a conversion of the debt to a predetermined amortization schedule system (PASS), the Government agrees to grant this conversion and borrower agrees to make payments as follows:

The first installment in the amount of \$ _____, will be due and payable on _____, _____. Thereafter, regular installments each in the amount of \$ _____ will be due and payable on the first day of each month until the principal and interest are paid, except that the final installment of the entire debt, if not paid sooner, will be due and payable on _____.

15. Payments of principal and interest shall be applied, and late fee charges shall be assessed in accordance with the Government's accounting procedures in effect on the date of receipt of the payment. Borrower agrees to pay late charges in accordance with the Government regulations in effect when a late charge is assessed.

16. Nothing in this agreement affects any of the terms or conditions of the note or assumption agreement, or the instrument securing it, other than the payment schedule (which includes the due date of the final installment) and the methods of applying payments on the account and late fees.

17. Upon default in the payment of any one of the above installments or in case of a failure to comply with any of the conditions and agreements contained in the above-described note or assumption agreement or the instruments securing it, the Government at its option may declare the entire debt immediately due and payable and may take any other actions authorized therein.

(Borrower)

(Date)

(Borrower)

UNITED STATES OF AMERICA

By _____

Date _____

Title _____